



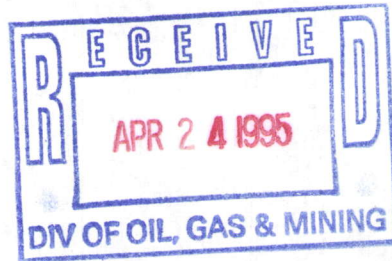
# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
324 South State, Suite 301  
Salt Lake City, Utah 84111-2303

IN REPLY REFER TO:

3833  
(UT-924)  
UTU-73969



5/025/012  
DOGM  
MINERALS PROGRAM  
FILE COPY

APR 21 1995

Jim R. Scarth, Esq.  
Suite 32, Tower Bldg, Ancestor Square  
2 West St. George Blvd.  
P.O. Box 160  
St. George, UT 84771

Dear Mr. Scarth:

This is in reference to your letters dated March 15, 1995, and April 5, 1995, concerning the proposed mining activity on property held by your clients Trevor Leach and Robert C. Leach.

On March 6, 1995, our office received a "Notice of Intent to Locate" and associated documents from March Corporation, 238 E. 100 N., Kanab, UT 84741. The "Notice of Intent to Locate" involves property located in sec. 8, E $\frac{1}{2}$ SE $\frac{1}{4}$ , and sec. 9, SW $\frac{1}{4}$ SW $\frac{1}{4}$  T. 40 S., R. 5 W., SLBM, Utah.

A review of the public land records reveals that the surface estate to the above described land was transferred out of Federal ownership by Patent #1092667, dated September 27, 1937. The patent was issued pursuant to the Act of Congress of May 20, 1862. All minerals in the lands were reserved to the United States, to be administered pursuant to the provisions of the Act of December 29, 1916, (43 U.S.C. 299) commonly referred to as the Stockraising Homestead Act. Minerals reserved under the Act have always remained open to location under the U.S. Mining Law provided that sufficient bonding instruments are in place to protect the surface owner.

The Stockraising Homestead Act was amended on April 16, 1993, (107 Stat. 60). Regulations set forth in 43 CFR parts 3814 and 3833.1-2 identify some of the new requirements. Final regulations to implement all aspects of the amendment have not been promulgated. Our office is currently operating under Bureau of Land Management (BLM) Washington Office guidance setting forth the adjudicative and operational requirements on lands affected by the 1993 amendment.

Mining operations are not authorized to take place on the subject land until the claimant or operator files a Plan of Operations as set forth in 43 CFR 3809. The Plan of Operations must identify, in detail, the proposed mining activity and will be filed with the local BLM office, in this case, the Kanab Resource Area. At the time the Plan of Operations is filed, the BLM will provide a copy to the surface owner requesting comments. The surface owner plays a vital role in any modifications required of the plan. The BLM will require the claimant/operator to post a bond in a sufficient amount to compensate the surface owner for the loss of use of the land and to ensure the land is reclaimed.

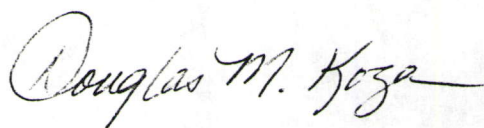


Your clients should keep in mind that no mining activity can occur on the subject land until a Plan of Operations is filed and approved. A Plan of Operations will not be approved until the surface owner is provided an opportunity to comment. In light of the above, your request for a hearing conducted by BLM appears to be premature.

Your concerns about mining activities taking place on lands not administered by the Bureau of Land Management cannot be addressed by our office. A copy of this letter is being sent to the Utah Division of Oil, Gas, and Mining. If your clients believe that unauthorized mining activity is occurring on Federal mineral estate, please contact our office in Kanab at the telephone number listed below.

Any questions on this matter may be related to Walt Phelps at (801) 539-4125. Questions on the status of any Plan of Operations received should be directed to our Kanab Resource Area office at (801) 644-2672.

Sincerely,

A handwritten signature in cursive script that reads "Douglas M. Koza". The signature is written in dark ink and is positioned above the printed name and title.

Douglas M. Koza  
Deputy State Director  
Mineral Resources

cc: Utah Division of Oil, Gas, and Mining (attn. Wayne Hedberg)